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Welcome to *Washington Update*, the weekly newsletter on the latest health care happenings in the nation's capital that affect APG's members.

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Erratic Moves Characterize Government Actions As Shutdown Drags On

With the partial government shutdown now in its third week, the toll on health agencies and programs continues to grow as Congress remains stalemated over extension of the Affordable Care Act's [enhanced premium tax credits](#) (EPTCs). Resolution of the impasse now appears unlikely without a major push from President Donald Trump prompting congressional leaders to cut a deal on extending the EPTCs – even as analysts [warn](#) that it is already too late to avert sharp ACA 2026 insurance premium increases on the eve of the [annual open enrollment period](#) beginning Nov. 1.

Meanwhile, these actions reinforced anxieties, antagonisms, and the sense of protracted standoff this week:

- **Large-scale layoffs** carried out by the Trump administration initially hit more than 4,000 federal workers across multiple

agencies, including the Department of Health and Human Services (HHS) and the Centers for Disease Control and Prevention (CDC) – but were temporarily [halted](#) after a San Francisco federal District Court ruling that the dismissals were illegal during the shutdown. The move followed a bizarre weekend turnabout, when roughly 700 of 1300 CDC workers who had received firing notices – including staff that produce the definitive [Morbidity and Mortality Weekly Report](#) – were subsequently [told](#) that the notices were sent wrongly due to a software error. The *Washington Post* reported that still other layoffs had targeted programs serving vulnerable populations, including support for low-income families and children with disabilities – even as President Trump [threatened](#) to announce more cuts in “Democrat programs” by today.

- In **another strange turnabout**, the Centers for Medicare & Medicaid Services (CMS) initially implied in new guidance on Wednesday that no claims would be paid during the shutdown for services provided under the Medicare Physician Fee Schedule, for ground ambulance transport, or for Federally Qualified Health Centers – only to quickly backtrack and [reassert](#) that such claims would be processed and paid “in a timely manner.” The remaining exceptions are services covered under flexibilities that expired with the shutdown, such as a range of telehealth services under the traditional Medicare program. Claims for such services won’t be paid until Congress passes likely legislation to reopen the government and pay such claims retroactively. APG continues to advise its members to hold off on submitting Medicare fee-for-service telehealth claims until the shutdown is over ([Washington Update, Oct. 3, 2025](#)), as they have 12 months to submit claims following the provision of service.



Medicare Advantage Risk Coding Must Be Linked To Actual Care Provided, Says CMS Administrator Oz

Tackling the controversial topic of Medicare Advantage (MA) coding linked to [Health Risk Assessments \(HRAs\)](#), CMS Administrator Mehmet Oz, MD, MBA argued this week that any risk adjustment payments stemming from codes captured in HRAs had to be tied to actual care delivered. His comments came at a Better Medicare Alliance [forum](#) at which he also [warned](#) MA plans to take steps to reduce the use of prior authorization, signaling that additional regulation could follow if the voluntary progress [pledged](#) by health insurers doesn’t occur.

APG welcomed Oz's comments, noting that they are fully consistent with APG's own recommendations as set forth in its *Medicare Done Right* [report](#) released earlier this year. They also came amid controversy over the proposed [No UPCODE Act](#), which among other provisions would bar the use of diagnoses collected from HRAs or [chart reviews](#) for the purposes of MA risk adjustment. APG has opposed the bill as currently written, pointing out that many APG member organizations that are closely partnered with MA health plans use these tools themselves as a way of ensuring that they fully understand patients' health care needs and address them appropriately.

Guardrails: At the same time, APG has long argued that a clearly documented care plan should be held in each patient's record, subject to CMS [audits](#), to confirm that care needs identified in HRAs and chart reviews are in fact addressed and that risk-adjusted payment is therefore justified. "Care" should also be broadly defined and tailored to patients' real needs, encompassing delivering patient education programs, regular pharmacist consultations, enhanced care coordination, use of health coaches and other interventions shown to be especially effective in managing patients' chronic illnesses.

In other Medicare Advantage news this week:

- A Texas federal court judge [rejected](#) Humana's challenge over its 2025 Medicare Advantage Star Ratings, ruling that CMS's approach to evaluating flawed test customer service phone calls was not "arbitrary or capricious" under federal law. The Star Rating for Humana's largest Medicare Advantage contract dropped from 4.5 in 2024 to 3.5 in 2025, costing the company billions of dollars in lost bonus payments and driving a sharp decline in its stock price.
- An enhanced CMS [tool](#) to help enrollees choose among Medicare Advantage plans newly incorporates information about which providers accept particular plans. But an [analysis](#) by the *Washington Post* found that results obtained in using the provider search tool "are inconsistent and often contradictory," setting off an intense scramble at the agency to correct the problems.



In Case You Missed It

- Following a February [executive order](#) from President Trump directing expanded access to in vitro fertilization (IVF), pharmaceutical manufacturer EMD Serono has agreed to **cut the price of a commonly used fertility medication**, offer direct-to-consumer sales, and participate in the "TrumpRx" purchasing platform starting next year, the administration [announced](#). The

White House also said federal agencies will take steps to allow employers to offer standalone benefits for fertility treatments such as IVF to their workers.

- After an earlier deal struck with Pfizer, President Trump [announced](#) a new deal with pharmaceutical manufacturer AstraZeneca, which will also **offer “most-favored-nation” drug pricing in Medicaid** and its medicines at a “deep discount off the list price when selling directly to American patients.” As with the Pfizer arrangement, further pricing details were not disclosed.
- Amid President Trump’s public questioning of vaccine safety, the Food and Drug Administration (FDA) is exploring the practicality of **removing the adjuvant aluminum from vaccines**. The adjuvant, which boosts the body’s immune response, is commonly added to inoculations such as those for diphtheria, tetanus, and pertussis (DTaP), hepatitis A and B, and HPV. The longstanding scientific consensus from FDA and other experts has been that the small amount of aluminum in vaccines is safe and lower than what most people ingest daily through food, water, and air.
- Investigating the notion of **“chemtrails”** – that the water vapor plumes release by aircraft are actually made up of metals and other materials intended to sicken the public – may be HHS Secretary Kennedy’s next endeavor, according to an [internal memo](#) obtained by [KFF News](#). Critics have debunked the chemtrails concept as a nonscientific conspiracy theory.
- The share of physicians and Advanced Practice Providers (APPs) reporting burnout symptoms fell from 51.9 percent to 38.8 percent after 30 days of **using an AI ambient scribe**, according to a [study](#) published in *JAMA Network Open*.



APG Announcements And Offerings

- Registration is now open for the **APG Fall Conference 2025 - Purpose, Perseverance and Possibility: Staying the Course on Accountable Care, November 5-7 in National Harbor, MD**, near Washington, DC. Groups of 5 or more that register together receive an additional \$50 savings per registrant.
- APG will host the sponsored webinar, **"Exploring MASH: A Progressive and Chronic Liver Disease,"** Presented by Novo Nordisk, on Thursday, November 13, at 2:00pm ET. [Register here](#).
- Want to get more involved in APG’s Federal advocacy efforts? [Join APG Advocates today](#).